

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

SONITHA SCALES, ALICIA THOMAS,
STEPHEN MCNUTT, JEFF PORTER, &
PAUL SIMONE, individually, and on behalf
of all other similarly situated individuals,

Plaintiffs,

v.

JAY MCGRAW; ERIC WELCH;
CREDITSERVE, INC.; MINTO FINANCIAL,
d/b/a MINTO MONEY; and JOHN DOES 1-
10,

Defendants.

Case No. 1:24-cv-11575

Judge: Hon. Manish S. Shah

**CREDITSERVE DEFENDANTS' MOTION TO COMPEL ARBITRATION AND STAY
THE ACTION**

Defendants Jay McGraw; Eric Welch; and CreditServe, Inc.'s (collectively "CreditServe Defendants") hereby respectfully move this Court for an Order stating that: (1) Plaintiffs' claims alleged in the First Amended Complaint against the CreditServe Defendants are compelled to individual arbitration for adjudication of arbitrability issues pursuant to the delegation clauses and class waivers contained in the loan agreements entered into by the parties and; (2) that this Action is stayed pending resolution of their arbitration. Plaintiffs purport to represent a class of aggrieved borrowers who each applied online for, and received, funding for loans through loan agreements that contain valid, binding, and unambiguous arbitration provisions obligating them to arbitrate all disputes that arise out of or relate to their loan agreements strictly on an individual basis before the American Arbitration Association. Nevertheless, seeking to avoid their clear contractual obligation to arbitrate, Plaintiffs allege a variety of federal and state law claims before this Court. Despite Plaintiffs' assertions to the contrary, the Federal Arbitration Act and binding

Supreme Court precedent are clear—Plaintiffs must individually arbitrate their claims, and this Action must be stayed pending the resolution of their arbitrations.

The parties have met and conferred regarding this Motion and Plaintiffs confirmed in writing that intend to object to this Motion.

WHEREFORE, for the reasons stated above and in the accompanying Memorandum of Law in support, which are expressly incorporated herein by reference, the CreditServe Defendants respectfully request that the Court enter an order stating that: (1) Plaintiffs must arbitrate their claims alleged in the First Amended Complaint on an individual basis including issues of arbitrability pursuant to the delegation clauses and class waivers contained in the loan agreements entered into by the parties and; (2) that this Action is stayed pending resolution of the individual arbitrations.

Dated: March 21, 2025

Respectfully submitted,

By: /s/ A. Paul Heeringa

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*Counsel for Defendants Jay McGraw,
Eric Welch, and CreditServe, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that, on March 21, 2025, the foregoing was filed electronically. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Parties may access this filing through the Court's electronic docket.

By: /s/ A. Paul Heeringa
A. Paul Heeringa (ARDC #6288233)